

**SCOTTSDALE TOURISM DEVELOPMENT COMMISSION
EVENT SUB-COMMITTEE
ECONOMIC VITALITY DEPARTMENT
CONFERENCE ROOM
4021 NORTH 75TH STREET, SUITE 102
SCOTTSDALE, ARIZONA
SEPTEMBER 22, 2009
APPROVED MINUTES**

MEMBERS PRESENT: Mike Surguine, Vice-Chairman
Kate Birchler, Commissioner
David Richard, Commissioner

STAFF: Steve Geiogamah, Tourism Development Coordinator

ALSO PRESENT: Brent DeRaad, Scottsdale Convention Visitors Bureau

Call to Order/Roll Call

Vice-Chairman Surguine called the meeting of the Scottsdale Tourism Development Commission Event Sub-Committee to order at 9:04 a.m. A formal roll call confirmed members present as stated above, noting the presence of a quorum.

1. FY2009/2010 Matching Event Advertising Funding (MEAF) Budget and Process

Mr. Geiogamah in reviewing the FY09/10 MEAF budget noted that the Tourism Development Commission will recommend to City Council to offset any FY09/10 Tourism Development Program deficits of up to \$1.1 million from the General Fund. Decisions regarding that recommendation could impact available MEAF program funding. The FY09/10 MEAF program is currently budgeted at \$130,000.

2. FY2009/2010 MEAF Application Review and Possible Recommendations

Mr. Geiogamah asked the Sub-committee to review the MEAF applications and identify events and amounts to recommend to the Commission at the October 20 TDC meeting. Vice-Chairman Surguine inquired how the requested amounts were determined. Mr. Geiogamah responded that the MEAF application cap amount was determined at the July TDC Budget Sub-committee meeting as a percentage deduction off of last year's cap amount.

Mr. Geiogamah said last year's MEAF program funded 11 events, for a \$123,626 total. This year, 13 events have applied requesting \$132,900. FY08/09 MEAF funded events have all submitted their post-event reports as well as invoice support documentation. The City does not provide MEAF funds to events until approved expenses are verified. Last year, no event was turned down funds based on a lack of invoice support

documentation, though some events did not spend as much and did not receive the full amount of approved funding. Commissioner Birchler said the TDC should review the left over amounts prior to the end of the fiscal year. Mr. Geiogamah noted that the event organizers are aware that MEAF allocations are based on funding availability and may be reduced or eliminated based on available funds.

Commissioner Richard said the Sub-committee should know whether each event has the ability to stand on their own, regardless of whether they receive funding or not. Commissioner Birchler noted that the Commission's criteria typically includes whether events are visitor-oriented, whether producers work in partnership with the CVB, the number of years the event has been in Scottsdale, and the time of year it is held.

A. Russo and Steele Sports and Muscle in Scottsdale

Mr. Geiogamah said the Russo and Steele event is requesting the maximum amount of \$12,000 in MEAF funds. The event producer reported that the event broke an attendance record last year and the event producers worked closely with the CVB on marketing and promotion. They spent \$147,000 on non-local event advertising last year. Mr. DeRaad said the CVB works closely with Russo and Steele, especially on email campaigns. They do not participate in many specific CVB programs because their customer base is very niche-oriented.

Commissioner Birchler inquired about the lack of a CVB logo on promotional materials. Mr. DeRaad responded that they have made progress in working with the CVB over the years, because of the TDC's input. Commissioner Birchler said this event defines what the Sub-Committee is looking for in terms of being able to draw out-of-state visitors.

COMMISSIONER BIRCHLER MOVED TO RECOMMEND \$12,000 IN MEAF FUNDS FOR THE RUSSO AND STEELE SPORTS AND MUSCLE EVENT IN SCOTTSDALE. COMMISSIONER RICHARD SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

B. 55th Annual Scottsdale Arabian Horse Show

Mr. Geiogamah said that the event producer reported that attendance was down from prior events held at WestWorld. They are requesting \$12,000 in MEAF funds, and received \$15,000 last year. Commissioner Birchler described this event as being synonymous with Scottsdale. Mr. DeRaad said the event producers have been terrific about giving exposure to the CVB. They too target a niche audience. Commissioner Richard suggested that the CVB help the producers find ways to better measure their generated room nights. Mr. DeRaad said their typical customer generally prefers to make their own arrangements and the most effective way to make that determination might be through the use of specialized studies.

Vice-Chairman Surguine proposed that in order for events to accept MEAF funds, there should be a link to the CVB on their websites, and that the CVB be mentioned in ads and collateral. Post-event audits should be conducted to monitor adherence to the criteria. Mr. Geiogamah responded that City staff does follow up with events and that all met their contractual requirements last year. Commissioner Richard said the CVB link

should go to the SCVB hotel booking page first, with further linkage to the remainder of the CVB site. It is a good way to measure the number of click-throughs that come from the event websites. Vice-Chairman Surguine said steps should be taken to ensure that the CVB logo is not lost among numerous other sponsors. Membership in the CVB should be a requirement.

COMMISSIONER BIRCHLER MOVED TO RECOMMEND \$12,000 IN MEAF FUNDS FOR THE SCOTTSDALE ARABIAN HORSE SHOW. COMMISSIONER RICHARD SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

C. Region 7 Arabian Championship Show

Mr. Geiogamah reported that the event, will take place on April 20 through 25. The event producers are requesting \$2,863 in MEAF funds, the same amount the event received last year. The event producer reported domestic and international spectators and participants continue to increase. Mr. DeRaad added that the event's CVB support could be improved. Commissioner Birchler questioned a possible discrepancy in generated room nights. Mr. DeRaad said every event calculates the numbers differently and the entire process would benefit from a standardized method. Mr. Geiogamah explained that some of the horse shows typically use emergency contact information from exhibitors and participants to estimate room nights.

COMMISSIONER RICHARD MOVED TO RECOMMEND \$2,000 IN MEAF FUNDS FOR THE REGION 7 ARABIAN CHAMPIONSHIP SHOW. COMMISSIONER BIRCHLER SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

D. Scottsdale Classic Futurity and Quarter Horse Show

Mr. Geiogamah said the event is held at Westworld and will take place in October. They are requesting MEAF funds of \$6,330. Westworld management has reported that the event has great potential for growth. The exhibitors and participants stay on average for ten days during the event. Mr. DeRaad said the producers work well with the CVB. Their hotels are limited-service for the most part. Out-of-town visitation directly related to the event is not high, and the majority of the room-nights are associated with participants. Advertising is targeted at a specific audience. It is a solid shoulder season event. Commissioner Birchler noted attendance at approximately 8,000.

Vice-Chairman Surguine pointed out that that their material does not refer to the CVB, or directs people to hotel rooms. That really should be a basic part of the criteria. Since the same questions arise every year, the Commission needs to do a better job of communicating the criteria and holding events accountable. The application should specify the minimum requirements that events must agree to, in order to receive funding. Mr. Geiogamah responded that requirements established by the Commission are noted in the current MEAF contract. Vice-Chairman Surguine requested that the TDC agenda include an item to review the contract.

COMMISSIONER BIRCHLER MOVED TO RECOMMEND THAT THE MEAF PROGRAM QUALIFYING CRITERIA BE CLEARLY STATED IN THE CONTRACT. THE CRITERIA SHOULD CONSIST OF THE FOLLOWING: THE EVENT HAS A GOOD WORKING RELATIONSHIP WITH THE SCVB, AND COLLATERAL ADVERTISING MATERIALS CLEARLY IDENTIFIES IT AS A SCOTTSDALE EVENT THROUGH USE OF A LOGO OR OTHER MEANS; THE EVENT USES A BOOKING ENGINE OR OTHER MEASURABLE TOOL TO TRACK AND MEASURE ROOM NIGHTS AS DECIDED UPON BY THE SCVB; AND THE EVENT'S WEBSITE FEATURES A LINK TO THE SCVB'S WEBPAGE PROVIDING INFORMATION ON OVERNIGHT ACCOMMODATIONS IN SCOTTSDALE. COMMISSIONER RICHARD SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

Commissioner Birchler questioned why some events had their requests reduced by the cap reduction while others received the same amount. She felt all events should be subject to the same percentage reduction. Mr. DeRaad noted that this event is not a member of the CVB.

COMMISSIONER BIRCHLER MOVED THAT THE MEAF CRITERIA ALSO REQUIRE EVENTS TO BE MEMBERS OF THE SCVB. COMMISSIONER RICHARD SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

COMMISSIONER RICHARD MOVED TO RECOMMEND \$5,000 IN MEAF FUNDS FOR THE SCOTTSDALE CLASSIC AND QUARTER HORSE SHOW. COMMISSIONER BIRCHLER SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

E. Barrett-Jackson Collector Car Events

Mr. Geiogamah said event producers are requesting \$12,000 in MEAF funds. The event producers have reported the event attendance at over 200,000 people. The event continues to be broadcasted live on the Speed Network. Mr. Geiogamah said Staff has met with the organizers recently in an effort to pursue some activities together. Mr. DeRaad said the event has worked well with the CVB, and have requested involvement in a much bigger way. This is one of the CVB's top event relationships.

COMMISSIONER BIRCHLER MOVED TO RECOMMEND \$12,000 IN MEAF FUNDS FOR BARRETT-JACKSON COLLECTOR CAR EVENTS. COMMISSIONER RICHARD SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

F. Celebration of Fine Art

Mr. Geiogamah said the event begins on January 16 and continues through March 28. They are requesting \$12,000 in MEAF funds. Event attendance remains stable with strong repeat visitation. This year marked the event's 19th year in Scottsdale. Mr. DeRaad said the organizers are outstanding partners with the CVB, and participate

regularly in media campaigns and programs. The event might not attract many out-of-town visitors on its own, but it is a terrific complimentary event that rounds out the Scottsdale experience during the peak season.

In response to an inquiry from Vice-Chairman Surguine, Mr. DeRaad said event attendees probably do equate to 10,000 room nights, but he questioned the primary reason for their visit. Much more could be done by organizers to encourage a Scottsdale presence. Vice-Chairman Surguine questioned how the Sub-Committee could spend tourism dollars without knowing how well their collateral material promotes tourism. Commissioner Richard suggested that the TDC review the allocations after the events conclude to determine whether they were appropriate.

COMMISSIONER RICHARD MOVED TO REQUEST THAT THE CELEBRATION OF FINE ARTS SUBMIT THEIR EMAIL AND PRINT COLLATERAL TO ALLOW THE SUB-COMMITTEE TO HAVE A CLEAR PICTURE OF THEIR MARKETING EFFORT BEFORE MAKING AN ALLOCATION DECISION FOR \$12,000. COMMISSIONER BIRCHLER SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

G. National Festival of the West

Mr. Geiogamah said this event received \$7,000 in MEAF funds last year following a City Council's decision to fund the event. They are requesting \$12,000 this year. The event producer noted that attendance figures were down, which they attributed to the economic downturn and a change in venue. The event received national coverage on the Western Channel. Mr. DeRaad said they are CVB members, but the working partnership is limited. They create their own hotel deals, most of which are in Scottsdale. The event is held on the busiest weekend of the year, and it is more of a complimentary event. Commissioner Birchler said their material makes no mention of the Scottsdale CVB.

COMMISSIONER RICHARD MOVED TO RECOMMEND THAT THE NATIONAL FESTIVAL OF THE WEST RECEIVE NO FUNDING UNLESS IT MOVES TO A DIFFERENT DATE. COMMISSIONER BIRCHLER SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

H. Goodguys 12th Southwest Nationals

Mr. Geiogamah said the event will be held in Scottsdale during the months of November and March. The event producer is requesting \$12,000 in MEAF funds for the November event. They received \$8,400 last year. The event producer reported that the event was well attended. Mr. DeRaad said their focus is mostly on driving local attendance. They have been receptive to conversations, but the CVB has not received a lot of exposure in their materials. Room nights are primarily limited-service, and generated by exhibitors. Commissioner Birchler appreciated the shoulder season date, but noted a discrepancy in reported attendance figures. Vice-Chairman Surguine said it would be helpful to see examples of their advertising campaign last year.

COMMISSIONER RICHARD MOVED TO DEFER THE DECISION TO EXTEND \$6,400 IN MEAF FUNDING TO GOODGUYS UNTIL THE SUB-COMMITTEE HAS HAD AN OPPORTUNITY TO REVIEW THE COLLATERAL MATERIAL. COMMISSIONER BIRCHLER SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

I. Scottsdale Culinary Festival

Mr. Geiogamah said the week-long event is held at the Scottsdale Civic Center Mall and different locations in Scottsdale. The event is growing and a survey conducted at the event reports that 17% of their total attendance comes from visitors, 63% of attendees are between the ages of 22-45 years. They received \$15,000 last year, and are requesting \$12,000 in MEAF funds. Mr. DeRaad said their relationship with the CVB is excellent. It is a shoulder season event that is working to become more regional in nature. Commissioner Birchler requested collateral advertising that supports the CVB.

COMMISSIONER BIRCHLER MOVED TO RECOMMEND DEFERRING A DECISION ON THE MEAF ALLOCATION OF \$12,000 FOR THE SCOTTSDALE CULINARY FESTIVAL UNTIL THE ORGANIZERS SUBMIT COLLATERAL ADVERTISING SAMPLES. COMMISSIONER RICHARD SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

J. Arizona Bike Week

Mr. Geiogamah said the event is requesting \$12,000 in MEAF funds. Their advertising targets a niche market. The event producer reported that event attendance numbers were down. The event received \$15,000 in MEAF funds last year. Mr. DeRaad said they are members of the CVB, but the CVB has had limited success in getting them to increase the presence of the logo. It is a peak season event that documents 1,088 room nights. Commissioner Birchler noted the lack of collateral.

COMMISSIONER RICHARD DEFERRED RECOMMENDING \$12,000 IN MEAF FUNDS UNTIL THE ARIZONA BIKE WEEK PROVIDE A CHANCE TO REVIEW THE COLLATERAL ADVERTISING FROM LAST YEAR. COMMISSIONER BIRCHLER SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

K. Sun Circuit Quarter Horse Show

Mr. Geiogamah said they received \$9,460 in MEAF funds last year. They are requesting \$11,750 this year. The Super Bowl event in 2008 and the economic downturn in 2009 negatively impacted the event over the past two years. The SCVB has worked to help them get their attendance numbers back up. Mr. DeRaad said they have partnered well with the CVB and are members. Commissioner Birchler noted the lack of collateral.

COMMISSIONER BIRCHLER DEFERRED RECOMMENDING \$7,600 IN MEAF FUNDS UNTIL THE SUN CIRCUIT QUARTER HORSE SHOW PROVIDES A CHANCE TO REVIEW THEIR COLLATERAL MATERIAL FROM LAST YEAR.

COMMISSIONER RICHARD SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

L. Scottsdale Fashion Week

Commissioner Birchler recused herself from this item.

Mr. Geiogamah said Scottsdale Fashion Week is requesting \$10,800 in MEAF funds. They intend to utilize internet services, email blasts, AZ Magazine and azcentral.com. This is the event's first year requesting MEAF funds. Mr. DeRaad said the CVB has worked very closely with this event, and they are members.

COMMISSIONER RICHARD MOVED TO RECOMMEND \$10,800 IN MEAF FUNDS FOR SCOTTSDALE FASHION WEEK. VICE-CHAIRMAN SURGUINE SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF TWO (2) TO ZERO (0).

M. Fiesta Cluster Dog Show

Mr. Geiogamah said the event will take place March 4-8 at WestWorld. Their marketing campaign targets a niche market. They are requesting \$5,169 in MEAF funds. Mr. DeRaad said they are not members of the CVB and have not established a relationship. Vice-Chairman Surguine said they should be given the opportunity to join the CVB before they are disqualified for that reason. Commissioner Richard said a dog show would add diversity to Scottsdale's offerings. Mr. DeRaad said they are calculating 1,500 room nights. Commissioner Birchler said it would be beneficial for the Commission to meet with the producers before making a decision.

COMMISSIONER RICHARD MOVED TO DECLINE THE FIESTA CLUSTER DOG SHOW APPLICATION BASED ON THE EVENT'S DATE, WHICH FALLS DURING THE PEAK SEASON. COMMISSIONER BIRCHLER SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).

3. Items from the Floor

None.

4. Public Comment

None.

5. Adjournment

With no further business before the Sub-Committee, the meeting adjourned at 10:44 a.m.

Respectfully submitted,
A/V Tronics, Inc. DBA AVTranz.